



NEWS RELEASE

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**Statement of Terry Winter
President and Chief Executive Officer
California Independent System Operator
Before Federal Energy Regulatory Commission
*California Market Issues Conference***

(Folsom, CA) California Independent System Operator (California ISO) President and Chief Executive Officer Terry Winter spoke this morning at the Federal Energy Regulatory Commission (FERC) California Market Issues Conference. The following excerpts were taken from his statement, which can be viewed in full by clicking on FERC EL00-95 on the California ISO's home page found at www.caiso.com.

"We can choose to magnify differences and to engage in protracted litigation or, working together, we can build on the foundation that you (FERC) have provided. The former course ensures a prolonged period of uncertainty. And we in California are painfully aware of the enormous cost of uncertainty. It is, indeed, the root cause of the problems we face today."

"We strongly concur with the Commission's conclusion that inappropriate reliance on supply acquisition in real-time must be severely discouraged. We do have questions about whether the proposal is likely to encourage the intended purpose....For now, I simply want to underscore our agreement with an overarching premise of the Order: that the market activities of the ISO must be minimized; that they must be confined to the activities that are inseparable from the ISO's core responsibility – reliability."

"We echo your recognition that the west is an integrated region; that California is not an island....That is why I have made no secret of my support for a regional transmission organization."

The California ISO will be filing comments by November 22, 2000 on proposed market remedies issued in FERC Order (93 FERC ¶ 61,121) in Docket No.EL00-95-000.

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